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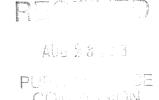
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August 22, 2013

Jeff Derouen Executive Director Public Service Commission 211 Sower Boulevard, P.O. Box 615 Frankfort, Kentucky 40602-0615



Re: In the Matter of: Application of Big Rivers Electric Corporation for a General Adjustment of Rates

PSC Case No. 2013-00199

Dear Mr. Derouen:

Big Rivers Electric Corporation discovered a typographical error in the Direct Testimony of Jeffrey R. Williams that was filed with Big Rivers' application in the above referenced matter. On page 14, line 16, of Mr. Williams' testimony, the number \$78,333.00 should have been \$76,667.00. Enclosed for filing are an original and ten copies of a corrected page 14 of Mr. Williams' testimony. I certify that on this date, a copy of this letter and a copy of the corrected page 14 were served on each of the persons listed on the attached service list by first class mail.

Sincerely,

SIM

Tyson Kamuf

TAK/ej Enclosures

cc:

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BIG RIVERS ELECTRIC CORPORATION

APPLICATION OF BIG RIVERS ELECTRIC CORPORATION—FOR A GENERAL ADJUSTMENT IN RATES CASE NO. 2013-00199

VERIFICATION

PUBLIC L'ENVICE COMMISSION

I, Jeffrey R. (Jeff) Williams, verify, state, and affirm that I prepared or supervised the preparation of my direct testimony filed with this Verification, and that testimony is true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

Jeffrey R. (Jeff) Williams

COMMONWEALTH OF KENTUCKY)
COUNTY OF HENDERSON)

SUBSCRIBED AND SWORN TO before me by Jeffrey R. (Jeff) Williams on this the <u>22</u> day of August, 2013.

Joy P. Wright
Notary Public, Ky. State at Large
My Commission Expires

Notary Public, Kentucky State-At-Large My Commission Expires: July 3, 2014 ID 421951

1	Α.	Big Rivers calculates the revenues from sales to members in the big Rivers imancial
2		model. This is described in greater detail in the Direct Testimony of Mr. Christopher
3		A. Warren.
4	Q.	How is amortization of certain deferred expenditures captured in the forecast?
5	A.	The forecast includes amortization for environmental compliance plan ("ECP") costs
6		incurred as approved in the Commission Order dated October 1, 2012, in Case No.
7		2012-00063; amortization of severance costs; and amortization of rate case expenses.
8		Amortization schedules for these costs are contained in Big Rivers' financial model.
9		Amortization of the ECP costs in the amount of approximately \$769,000 began in late
10		2012 and continues through September 2015 in the forecast (36 months). Amortization
11		of severance costs of \$3.7 million, related to the Coleman layup described in the Direct
12		Testimony of Mr. Robert W. Berry, is forecasted to begin in February 2014 and
13		continue for 60 months. The development of severance costs is described in greater
14		detail in the Direct Testimony of Mr. James V. Haner. Amortization of severance costs
15		related to the Wilson layup associated with Case No. 2012-00535 are included in the
16		amount of approximately \$76,667 per month. Amortization of rate case expenses
17		associated with Case No. 2012-00535 is included in the forecast in the amount of
18		\$44,055 per month (reflecting total rate case expenses of approximately \$1.6 million).
19		Amortization of general rate case expenses of approximately \$1.4 million for the
20		instant filing is forecasted to begin in February 2014 and continue for 36 months. This
21		amount includes estimated expenses for: (i) direct legal expenses associated with this
22		rate case; (ii) the completion of a cost of service study required as part of the rate case;
23		and (iii) additional expert witnesses and/or consultants possibly needed during the